

# Ankush Finstock Ltd.

**10TH**

## **ANNUAL REPORT 2002-2003**

*Correcting true copy*  
For, ANKUSH FINSTOCK LTD  
*B. Mishra*  
Director

## **TENTH ANNUAL REPORT 2002 - 2003**

### **BOARD OF DIRECTORS :**

SHRI BHARAT M. SHAH (CHAIRMAN CUM MANAGING DIRECTOR)  
SHRI HITESH P. SHAH (DIRECTOR)  
SHRI SATISH N. SHAH (DIRECTOR)  
SHRI JAYESH A. SHAH (DIRECTOR)  
SHRI BHARAT R. MODI (DIRECTOR)

### **AUDITORS :**

BAKUL VAKIL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
AHMEDABAD

### **BANKERS :**

GUJARAT MERCANTILE CO. OP. BANK LTD.  
SUVIKAS PEOPLE'S CO. OP. BANK LTD.  
HDFC BANK LIMITED  
ORIENTAL BANK OF COMMERCE, BOMBAY

### **SHARE TRANSFER AGENT :**

PINNACLE SHARE REGISTRY PVT. LTD.  
AHMEDABAD.

### **REGISTERED OFFICE :**

B/708, FAIRDEAL HOUSE, OPP. ST. XAVIER'S GIRLS HOSTEL,  
OFF. C.G. ROAD, AHMEDABAD - 380 009.

**NOTICE**

**NOTICE** is hereby given that the **Tenth Annual General Meeting** of the Members of **ANKUSH FINSTOCK LIMITED** will be held at the Registered Office at, B/708, Fairdeal House, Opp. St. Xavier's Girls Hostel, Off. C.G. Road, Ahmedabad on **Monday, 29th September, 2003** at 11.00 a.m. to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt audited Balance Sheet as at **31st March, 2003**, Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Directors in place of **Shri Jayeshbhai A. Shah & Shri Satishbhai N. Shah**, who retires by rotation and being eligible offers them self for re-appointment.

**SPECIAL BUSINESS :**

3. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

**M/s. Bakul Vakli & Associates, Chartered Accountants, Ahmedabad**, the retiring Auditors of the Company has tendered their resignation. As there is causal vacancy caused due to resignation of the said auditors, it is necessary to appoint **M/s. Khandar & Parekh, Chartered Accountants, Ahmedabad** as statutory auditors of the Company to hold office from the approval of Shareholders in the Annual General Meeting until the conclusion of next Annual General Meeting of the company.

**"RESOLVED THAT M/s. Khandar & Parekh, Chartered Accountants, Ahmedabad** be and are hereby appointed as the Statutory Auditors of the Company to fill causal vacancy caused by the resignation by **M/s. Bakul Vakli & Associates, Chartered Accountants, Ahmedabad** for the Financial Year **2003-04**, to hold office as such from the conclusion of this Meeting until the conclusion of next Annual General Meeting of the Company at a remuneration to be decided by the Board in consultation with the said Auditor apart from out of pocket expenses that may be incurred by them for the purpose of audit."

4. To Consider and if thought fit, to ~~pass~~ with or without modification, the following Resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with schedule XIII as amended and subject to the approval of the members be and is hereby accorded to the appointment of **Shri Bharatbhai M. Shah** as the Chairman cum Managing Director of the Company as defined in section 2(24) of the Act, for a period of five years w.e.f. 15/08/2003 upon the terms and subject to the conditions as set out hereunder, with further liberty to the directors, from time to time to alter and vary the said terms and conditions on such manner as may be agreed upon between the company and **Shri Bharatbhai M. Shah** in the best interest of the company, but subject to the provisions contained schedule XIII to the Companies Act, 1956 as amended from time to time and permission of Central Govt. if required.

"FURTHER RESOLVED THAT the Board be and is hereby authorized to alter, vary and modify and the said terms including salary, allowances and perquisites in such as may be agreed between the Board and **Shri Bharatbhai M. Shah** within and in accordance with and subject to the limits prescribed in schedule XIII to the said act, and if, necessary, as may be stipulated by the central Govt. and as may be agreed accordingly between the Board and **Shri Bharatbhai M. Shah**.

"FURTHER RESOLVED THAT notwithstanding anything hereinabove stated where in any financial year, during the currency of the term of **Shri Bharatbhai M. Shah** as Chairman cum Managing Director, of the Company has no profit or its profits are inadequate, the Company shall pay remuneration by way of salary and perquisites as specified in section II of Schedule XIII to the said act or such other limits as may be prescribed by the Central Govt. from time to time as minimum remuneration.

"FURTHER RESOLVED THAT the Board be and is hereby authorized to execute all such documents, writings and agreements as may be required for the purpose of giving effect to this resolution."

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## FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: AHMEDABAD.  
DATE: 30/07/2003

(BHARATBHAI M. SHAH)  
CMD

## NOTES :

1. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A proxy in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the time scheduled for holding the meeting.
2. Members are requested to bring their copies of Annual Report and Accounts to the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 22/09/2003 to 29/09/2003 (both days inclusive) for the purpose of Section 154 of the Companies Act, 1956.
4. Explanatory Statement U/s. 173(2) of the Companies Act, 1956 annexed here with.

## Annexure to Notice:

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2).  
OF THE COMPANIES ACT, 1956**

## Item No. 3

**M/s. Bakul Vakil & Associates, Chartered Accountants, Ahmedabad**, the retiring Auditors of the Company has tendered their resignation. As there is causal vacancy caused due to resignation of the said auditors, it is necessary to appoint **M/s. Khandar & Parekh, Chartered Accountants, Ahmedabad** as statutory auditors of the Company for the financial year **2003-04**, pursuant to Section 224 of the Companies Act, 1956 and letter has been received from the said auditors informing that their appointment if, made will be in accordance with the limit specific in Section 224 (1B) of the said Act and to hold office from the approval of Shareholders in the Annual General

Meeting until the conclusion of next Annual General Meeting of the company.

The Board recommends this resolution for approval from the members.

None of the Directors are in any way concerned or interested in the aforesaid resolution.

**Item No. 4**

The Company continues to increase its business. In view of this the Board of Directors considers that it would be necessary to appoint Chairman cum Managing Director to look

Activity of the Company . **Shri Bharatbhai M. Shah** is having good background and vast experience in the business of shares and securities . It is in the interest of the company to appoint him as a chairman cum Managing Director of the Company.

The Board of Director of the company has appointed **Shri Bharatbhai M. Shah** Chairman cum Managing Director of the Company for a period of five years w.e.f.15/08/2003 on terms and conditions approved by the Board of Directors at their meeting held on 30/07/2003 the important terms and conditions are as under:

1. Salary : at the rate of Rs. 5000/- p.m.
2. Period of Agreement : five years from 15/08/2003
3. Commission : Not more than 1% of net profit of the company
4. Perquisites: Restricted to amount equal to Rs. 30,000/- p.a.

The Board recommends this resolution for approval from the Members

None of the Directors are in any way concerned or interested except **Bharatbhai M. Shah** in the aforesaid resolution.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE: AHMEDABAD**  
**DATE: 30/07/2003**

**(BHARATBHAI M. SHAH)**  
**CMD**

## DIRECTORS REPORT

**To,  
The Shareholders,  
ANKUSH FINSTOCK LIMITED**

Your Directors have pleasure in presenting the **Tenth Annual Report** of the Company together with the Audited Accounts for the year ended 31st March 2003.

### FINANCIAL PERFORMANCE :

	2002-03	2001-02
Total Sales & Income	29,17,595	36,34,351
Depreciation	50,204	57,606
Preliminary exp. w/off	1,52,189	1,52,189
Profit (Loss) before Tax	(2,73,384)	(1,72,091)
Provision for Income Tax	-----	-----
Profit (Loss) after Tax	(2,73,384)	(1,72,091)

### OPERATIONS :

During the year under review the Company's total income was Rs. 29,17,595/- and has incurred a loss of Rs. 2,23,180/- before providing depreciation Rs. 50,204/- and loss of Rs. 2,73,384/- after providing depreciation.

The year under review was also difficult year. The Indian economy passed through a crisis. The stock market was severely affected and trend was a bearish during the year and the effect of the same has been compounded as a result of introduction of rolling settlement. Under the circumstances the company has restricted its activities during the year under review. The directors of the company are exploring the activities to be undertaken by the company for the future prospectus of the company. The directors are hopeful for the better future of the company.

### DIVIDEND :

The Directors, in view of present situation and loss incurred by the company during the year, directors regret their inability to recommend dividend.

**DEPOSITS :**

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956. There is no unclaimed or unpaid deposit, as the Company has not accepted any deposit since incorporation.

**DIRECTORS :**

**Shri Jayeshbhal A. Shah and Shri Satishbhal N. Shah**, who retires by rotation at the ensuing Annual General Meeting, being eligible and offers them self for reappointment.

**AUDITORS :**

**M/s. Bakul Vakil & Associates, Chartered Accountants, Ahmedabad**, the retiring Auditors of the Company has tendered their resignation. As there is causal vacancy caused due to resignation of the said auditors, it is necessary to appoint **M/s. Khandar & Parekh, Chartered Accountants, Ahmedabad** as statutory auditors of the Company to hold office from the approval of Shareholders in the Annual General Meeting until the conclusion of next Annual General Meeting of the company.

**AUDITORS REMARKS :**

The remarks made by the Auditors' in their report are duly clarified in the respective notes on accounts in **Schedule 16** forming part of account.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956 is not applicable to the Company, as the Company is not engaged in manufacturing activities. The foreign exchange earnings on account of the operation of the Company during the year was **Rs. Nil**.

**PARTICULARS OF EMPLOYEES :**

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.



**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the year ended **31st March, 2003** the applicable accounting standards had been followed along with proper expiation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the year ended **31st March, 2003** on a 'going concern' basis.

**CORPORATE GOVERNANCE :**

Your Company is committed to the highest standards of Corporate Governance and we have well documented your Company's internal policies on Corporate Governance in the line with the recommendation of the Securities and Exchange Board of India (SEBI) and various committees. A Report on Corporate Governance is incorporated as Annexure to this report.

**ACKNOWLEDGEMENT :**

Your Directors acknowledges his unmatched valuable contribution and appreciates the co-operation received from the bankers, customers and financial institution for their continued assistance and support extended to the Company.

Your Directors also express their appreciation to all the employees of the Company for their sustained contribution throughout the period.

Yours Directors wish to thanks the shareholders for their continued support, encouragement and the confidence reposed in the Management.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: AHMEDABAD  
DATE: 30/07/2003

(BHARATBHAI M. SHAH)  
CMD

### ANNEXURE TO THE DIRECTORS' REPORT

#### CORPORATE GOVERNANCE REPORT

##### 1. THE CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance at **ANKUSH FINSTOCK** is predicated by the need to "enhance shareholder value, keeping in view the interests of other stakeholders". This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders' wealth whilst not being detrimental to other stakeholders' interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practising it to achieve desired results.

Actual management of the Company vests with a team of senior executives, led by the Managing Director. They are vested with operational and financial powers through a well-structured process of delegation. The management team functions within the framework laid out by the Board and are accountable to the Board through the Managing Director for all their actions.

The Code therefore endeavours to address the following deliverables:

- (i) Ensure that the quantity, quality and frequency of financial and managerial information, which management shares with the Board, fully places the Board members in control of the Company's affairs;